AND
BRIEFS

Supreme Court, U.S.
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No. 15-1293

In the
Supreme Court of the United States

MICHELLE K. LEE, DIRECTOR, UNITED STATES PATENT AND TRADEMARK OFFICE,

Petitioner,

v.

SIMON SHIAO TAM,

Respondent.

On Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

BRIEF OF THE AMERICAN BAR ASSOCIATION AS *AMICUS CURIAE* SUPPORTING NEITHER PARTY

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QUESTION PRESENTED

Section 2(a) of the Lanham Act, 15 U.S.C. § 1052(a), provides that no trademark shall be refused registration on account of its nature unless, inter alia, it "[c]onsists of . . . matter which may disparage . . . persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt, or disrepute." The question presented is as follows:

Whether the disparagement provision in 15 U.S.C. § 1052(a) is facially invalid under the Free Speech Clause of the First Amendment.

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STATEMENT OF INTEREST[1]

The American Bar Association ("ABA") respectfully submits this brief in support of neither party.

The ABA is the leading national organization of the legal profession, with more than 400,000 members from all 50 states, the District of Columbia and the U.S. territories. Membership is voluntary and includes attorneys in private practice, government service, corporate law departments and public interest organizations. ABA members comprise judges, legislators, law professors, law students and non-lawyer "associates" in related fields, and represent the full spectrum of public and private litigants.[2]

The ABA Section of Intellectual Property Law ("IPL Section"), which was established in 1894, is the world's oldest and largest organization of intellectual property professionals. The IPL Section has approximately 20,000 members, including attorneys who

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[1] Pursuant to Rule 37.6, amicus curiae certifies that no counsel for a party authored this brief in whole or in part and that no person or entity, other than amicus, its members or its counsel, has made a monetary contribution to the preparation or submission of this brief. Sup. Ct. R. 37.6. Further, amicus curiae certifies that Petitioner has provided its blanket consent to this filing; Respondent's written consent has been filed with the Clerk with this brief.

[2] Neither this brief nor the decision to file it should be interpreted to reflect the views of any judicial member of the American Bar Association. No inference should be drawn that any member of the Judicial Division Council has participated in the adoption or endorsement of the positions in this brief. This brief was not circulated to any member of the Judicial Division Council prior to filing.

represent trademark owners, accused infringers, and small corporations and universities and research institutions across a wide range of industries. The IPL Section promotes the development and improvement of intellectual property law and takes an active role in addressing proposed legislation, administrative rule changes and international initiatives regarding intellectual property. It also develops and presents resolutions to the ABA House of Delegates for adoption as ABA policy to foster necessary changes to the law. These policies provide a basis for the preparation of ABA amicus curiae briefs, which are filed primarily in this Court and the United States Court of Appeals for the Federal Circuit.[3] The IPL Section comprises and represents attorneys on all sides of the issues, and the uniqueness of its size and diverse representations makes the Section unlike other entities. The IPL Section's reliance on the expertise of its members to develop consensus positions within the ABA ensures its positions reflect those of the broader intellectual property community.

Through a collaborative process, the diverse members of the IPL Section have developed a consensus on basic propositions of trademark law germane to the Court's resolution of the constitutional issue set forth in the question presented. The ABA's House of Delegates adopted that consensus as formal policy in August 2016:

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[3] *See* American Bar Ass'n, Amicus Curiae Briefs, http://www.americanbar.org/amicus/1998-present.html (last visited Oct. 21, 2016).

> [T]he American Bar Association supports an interpretation of the federal Lanham Act, 15 U.S.C. § 1051 et seq., recognizing that the ineligibility of an otherwise valid mark for registration with the U.S. Patent and Trademark Office ("USPTO"), through the cancellation of an existing federal registration or the denial of an application for a federal registration, does not in and of itself disqualify that mark for protection under all provisions of the Lanham Act, the common law, or from registration on state registers; and
>
> . . . supports an interpretation of the Lanham Act recognizing that the ineligibility of a mark for registration with the USPTO does not in and of itself restrict the mark owner's right to use the mark in commerce; and
>
> . . . supports an interpretation of the Lanham Act recognizing that the owners of marks registered on the Principal Register, the primary register of trademarks maintained by the USPTO, enjoy procedural and substantive advantages in litigation to protect their marks otherwise not available to owners of common-law marks not registered on the Principal Register.

The ABA takes no position on whether the potential disparagement provision of the Lanham Act, 15 U.S.C. § 1052(a), is facially invalid under the Free Speech Clause of the First Amendment or whether the service mark at issue was properly denied registration under that provision. Rather, the ABA sub-

mits this brief to clarify certain principles of trademark law erroneously set forth by the court of appeals.

SUMMARY OF ARGUMENT

The court of appeals' invalidation of a portion of Section 2(a) of the Lanham Act, 15 U.S.C. § 1052(a), under the Free Speech Clause of the First Amendment, raises important questions about the relationship between trademark validity and trademark registrability, as well as the legal significance of a determination of unregistrability. A correct understanding of those issues is important to answering properly the ultimate question in this case concerning the Free Speech Clause of the First Amendment. The ABA therefore files this brief to rectify errors of basic trademark law in the opinion of the court of appeals and to confirm that: (1) a determination of mark unregistrability does not restrict the mark owner's right to use the mark in commerce; and (2) a determination that a mark is ineligible for registration on the USPTO's Principal Register does not necessarily render that mark invalid and unprotectable; but (3) owners of marks registered on the Principal Register enjoy certain substantive and procedural advantages in litigation to protect their marks that are not available to the owners of unregistered marks.

ARGUMENT

Under Section 45 of the federal Lanham Act, 15 U.S.C. § 1127 (2012), "[t]he term 'trademark' includes any word, name, symbol . . . to identify and distinguish his or her goods, including a unique

product, from those manufactured or sold by others and to indicate the source of the goods, even if that source is unknown"; the same statute contains a substantively identical definition of "service mark."[4] Pursuant to the Act, the owner of either type of mark may seek to register it on one of two "registers" maintained by the USPTO, namely, the Principal Register and the Supplemental Register—often referred to as "federal registration" of a trademark. This case arises from an application to register a service mark on the Principal Register.

Section 2 of the Lanham Act, *id.* § 1052, prohibits the registration on the Principal Register of certain marks and certain claimed marks.[5] Of great-

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[4] Courts, practitioners, and commentators typically use "marks" as shorthand references to both trademarks and service marks.

[5] Among the most commonly invoked grounds for unregistrability under Section 2 are that the claimed mark is deceptive, 15 U.S.C. § 1052(a), is likely to be confused with another party's prior-registered or prior-used mark, *id.* § 1052(d), is merely descriptive and lacks acquired distinctiveness, *id.* § 1052(e)(1), or is functional. *Id.* § 1052(e)(5). A claimed mark may be found unregistrable under these or the other provisions of Section 2 in three contexts: (1) an examiner assigned to an application to register the mark can reject the application, in which case the applicant can appeal to the Trademark Trial and Appeal Board (the "Board"), an administrative tribunal within the USPTO, 15 U.S.C. § 1070; (2) another party can challenge the application in an "opposition proceeding" before the Board, *id.* § 1063; and (3) even if the application matures into a registration, the registration can be canceled by a court or the Board for any reason that would have prevented its issuance in the first place, *id.* § 1064(1); after that, it can be canceled "[a]t any time if the registered mark becomes the generic name for the goods or services, or a portion thereof, for which it is registered, or is

est significance to this case, Section 2(a) prohibits the registration of any mark that "may disparage . . . persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt, or disrepute." *Id.* § 1052(a). But that prohibition is only one of many found in Section 2.

The court of appeals' opinion in this case confuses the distinguishable concepts of mark validity, on the one hand, and mark registrability, on the other. The court properly acknowledged its past holdings that a determination of unregistrability on the Principal Register does not restrict a mark owner's ability to use that mark in commerce, but its treatment of the issue in this case may improperly suggest the question is an open one: It is not. Likewise, the court of appeals erred in suggesting such a determination necessarily renders an otherwise valid mark wholly ineligible for protection under the Lanham Act and the common law. Finally, although the court of appeals properly held that nonregistrants are disadvantaged in litigation to protect their marks vis-à-vis their registrant counterparts, it understated those disadvantages in certain respects.

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functional, or has been abandoned, or its registration was obtained fraudulently or contrary to . . . [Section 2(a)-(c)] . . . ." *Id.* § 1064(3).

I. THE UNREGISTRABILITY OF A MARK DOES NOT RESTRICT THE MARK OWNER'S ABILITY TO USE THE MARK IN COMMERCE

Beginning with *In re McGinley*, 660 F.2d 481 (C.C.P.A. 1981), the court of appeals and its predecessor, the Court of Customs and Patent Appeals, have long recognized that the ineligibility of a mark for registration does not prevent the mark's use in commerce. *See id.* at 484 ("[I]t is clear that the PTO's refusal to register appellant's mark does not affect his right to use it. No conduct is proscribed, and no tangible form of expression is suppressed."); *see also In re Fox*, 702 F.3d 633, 635 (Fed. Cir. 2012) ("[A] refusal to register a mark has no bearing on the applicant's ability to use the mark . . . ."). Nevertheless, after citing *McGinley* favorably for this point, the court of appeals immediately noted that "[m]ore than thirty years have passed since the decision in *McGinley*, and in that time both the *McGinley* decision and our reliance on it have been widely criticized." *In re Tam*, 808 F.3d 1321, 1329 (Fed. Cir. 2015) (en banc), *as corrected* (Feb. 11, 2016), *cert. granted sub nom. Lee v. Tam*, No. 15-1293, 2016 WL 1587871 (U.S. Sept. 29, 2016). This observation could be misread as suggesting that commentators have criticized this particular aspect of *McGinley*, rather than *McGinley*'s ultimate constitutional holding. In fact, as the court of appeals acknowledged later in its opinion, the universally accepted actual rule remains that "a trademark owner may use its mark in commerce even without federal registration . . . ." *Id.* at 1340; *see also Patsy's Italian Rest. v. Banas*, 658 F.3d 254, 267 (2d Cir. 2011) ("[T]he lack

of a federal registration does not prevent [the parties] from expanding as they so desire, so long as they respect each other's existing rights."); Drew Jurgensen, *When All You Have is a Hammer, Everything Looks Like a Nail In Re Tam and the Federal Circuit's Conflation of Federal Trademark Registration and the First Amendment*, 98 J. PAT. & TRADEMARK OFF. SOC'Y 512, 515 (2016) ("[D]enial of federal registration does not prevent a mark owner from using their mark."). Thus, despite the court of appeals' apparent hesitation about the continued viability of the *McGinley* rule, a mark owner whose mark cannot be registered on account of Section 2(a) is not deprived of the ability to use its mark in commerce.

II. ONLY INVALID MARKS ARE BOTH UNREGISTRABLE AND UNPROTECTABLE

Referring to the cause of action available to protect unregistered marks provided by Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a) (2012), the court of appeals observed that "it is not at all clear that [an applicant denied registration under Section 2(a)] could bring a § 43(a) unfair competition claim." 808 F.3d at 1344 n.11. Indeed, one member of the court of appeals would have gone still further to hold that "§ 43(a) protection is only available for unregistered trademarks *that could have qualified for federal registration*." *In re Tam*, 785 F.3d 567, 576 (Fed. Cir.) (additional views of Moore, J.) (citations omitted), *reh'g en banc granted, opinion vacated*, 600 F. App'x 775 (Fed. Cir. 2015), *rev'd*, 808 F.3d 1321, 1329 (Fed. Cir. 2015) (en banc), *as corrected* (Feb. 11, 2016), *cert. granted sub nom. Lee v. Tam*, No. 15-

1293, 2016 WL 1587871 (U.S. Sept. 29, 2016). Both propositions are incorrect.

A. The Grounds for Mark Unregistrability and Mark Invalidity are Not Coextensive, and the Mere Absence of a Federal Registration Does Not Unleash the Mark to Public Use

Some grounds for the denial or cancellation of a federal registration of a mark also render the mark ineligible for protection as a mark. For example, if the registration of a mark is canceled because the underlying mark has become generic, the rights to the mark are invalidated along with the registration. *See Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189, 194 (1985) ("Generic terms are not registrable, and a registered mark may be canceled at any time on the grounds that it has become generic."); *Del. & Hudson Canal Co. v. Clark*, 80 U.S. 311, 323 (1871) ("Nor can a generic name . . . be employed as a trade-mark and the exclusive use of it be entitled to legal protection."). Moreover, the same is true if the ground for cancellation is that the underlying mark is functional or if it has been abandoned. *See, e.g., Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 164 (1995) ("The functionality doctrine prevents trademark law, which seeks to promote competition by protecting a firm's reputation, from instead inhibiting legitimate competition by allowing a producer to control a useful product feature."); *Specht v. Google Inc.*, 747 F.3d 929, 934-35 (7th Cir. 2014) (affirming finding of abandonment as a matter of law for mark not used for over a decade).

Nevertheless, a determination that an otherwise valid mark is unregistrable does not in and of itself disqualify that mark for protection under the Lanham Act, the common law, or state law causes of action such as the Uniform Deceptive Trade Practices Act.[6] For example, because federal registration is not a prerequisite for a cause of action under Section 43(a) of the Lanham Act, courts have routinely recognized the eligibility for protection under that statute of certain designations not qualifying for federal registration. Those include trade names, the unregistrability of which is well established, but which, as this Court has recognized, are still protectable against infringement. *See Moseley v. V Secret Catalogue, Inc.*, 537 U.S. 418, 428 (2003) ("Traditional trademark infringement law is a part of the broader law of unfair competition. That law broadly prohibits uses of trademarks, *trade names*, and trade dress that are likely to cause confusion about the source of a product or service." (emphasis added) (citation omitted)).[7] They likewise include the titles of indi-

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[6] *See, e.g., Eckles v. Atlanta Tech. Grp.*, 485 S.E.2d 22, 24 (Ga. 1997) ("In Georgia, [an unregistrable-in-the-USPTO] trade name is protected by the common law and by several statutes. One of those statutes is the Uniform Deceptive Trade Practices Act (UDTPA) . . . .").

[7] *See also Accuride Int'l, Inc. v. Accuride Corp.*, 871 F.2d 1531, 1534 (9th Cir. 1989) ("The major legal distinction between trademarks and trade names is that trade names cannot be registered and are therefore not protected under 15 U.S.C. § 1114. However, analogous actions for trade name infringement can be brought under section 43(a)." (citation omitted)); *Walt-W. Enters. v. Gannett Co.*, 695 F.2d 1050, 1054 n.6 (7th Cir. 1982) ("Although trade names . . . are not registrable under the Lanham Act, an action for trade name infringement is nonetheless proper under [Section 43(a)]." (citation omitted)).

vidual creative works, which are similarly unregistrable but can be protected under Section 43(a).[8] And, as an additional example, they encompass reproductions of the United States flag, which are barred from the Principal Register by Section 2(b) of the Act, 15 U.S.C. § 1052(b), but infringements of which are actionable. *See Bros. of the Wheel M.C. Exec. Council, Inc. v. Mollohan*, 909 F. Supp. 2d 506, 542 (S.D. W. Va. 2012) (noting availability of protection under Section 43(a) for flag design even if design unregistrable).

Moreover, it is well established that the cancellation of an existing registration does not in and of itself invalidate all rights in the underlying mark. 3 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 19:3 (4th ed.). As the Tenth Circuit has explained in a case presenting a fraud-based challenge to a registration:

> Unlike the registration of a patent, a trademark registration of itself *does not create the underlying right to exclude.* Nor is a trademark created by registration. While federal

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[8] *See, e.g., Herbko Int'l, Inc. v. Kappa Books, Inc.*, 308 F.3d 1156, 1163 n.2 (Fed. Cir. 2002) ("While titles of single works are not registrable, they may be protected under section 43(a) of the Lanham Act upon a showing of secondary meaning."); *Sugar Busters LLC v. Brennan*, 177 F.3d 258, 269 (5th Cir. 1999) ("The Trademark Trial and Appeal Board has consistently interpreted [prior authority of the Court of Customs and Patent Appeals] as prohibiting the registration of single book titles as trademarks. The descriptive nature of a literary title does not mean, however, that such a title cannot receive protection under § 43(a).").

> registration triggers certain substantive and procedural rights, *the absence of federal registration does not unleash the mark to public use.* The Lanham Act protects unregistered marks as does the common law.

San Juan Prods., Inc. v. San Juan Pools of Kan., Inc., 849 F.2d 468, 474 (10th Cir. 1988) (emphasis added) (citation omitted).[9] Succinctly put, "[i]f suc-

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[9] *See also Specialized Seating, Inc. v. Greenwich Indus.*, 616 F.3d 722, 728 (7th Cir. 2010) ("All a finding of fraud does is knock out the mark's 'incontestable' status, and its registration . . . . It does not affect the mark's validity, because a trademark need not be registered to be enforceable."); *Crash Dummy Movie, LLC v. Mattel, Inc.*, 601 F.3d 1387, 1391 (Fed. Cir. 2010) ("[C]ancellation of a trademark registration does not necessarily translate into abandonment of common law trademark rights."); *Far Out Prods., Inc. v. Oskar*, 247 F.3d 986, 996 (9th Cir. 2001) ("[E]ven if [the appellees] knowingly submitted a false declaration such that the appellees' federal registration should be canceled, the appellees could (and did) still bring suit alleging common law trademark infringement."); *Santana Prods., Inc. v. Compression Polymers, Inc.*, 8 F.3d 152, 155 (3d Cir. 1993) ("[T]he cancellation of a trademark registration does not extinguish common law rights the registration did not create.") (quoting *Volkswagenwerk Aktiengesellschaft v. Wheeler*, 814 F.2d 812, 819 (1st Cir. 1987) (internal quotation marks omitted)); *Orient Exp. Trading Co. v. Federated Dep't Stores, Inc.*, 842 F.2d 650, 654 (2d Cir. 1988) ("Even if appellants' registered marks are cancelled, however, the use of the [disputed] name . . . could still be protected from unfair competition under section 43(a) of the Lanham Act."); *Cal. Cooler, Inc. v. Loretto Winery, Ltd.*, 774 F.2d 1451, 1454 (9th Cir. 1985) ("[D]eficiencies in registration, such as failure to renew, or even cancellation, do not affect common law trademark rights."); *Keebler Co. v. Rovira Biscuit Corp.*, 624 F.2d 366, 376 (1st Cir. 1980) ("[I]n some cases of cancellation of federal registration the registrant may still be able to establish his common law right to exclusive use . . . .").

cessful, the result of a § 14(3) petition 'is the cancellation of a registration, not the cancellation of a trademark.' Cancellation of registration strips an owner of 'important legal rights and benefits' that accompany federal registration, but it 'does not invalidate underlying common law rights in the trademark.'" *Belmora LLC v. Bayer Consumer Care AG*, 819 F.3d 697, 714 (4th Cir. 2016) (quoting 3 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION §§ 20:40, 20:68 (4th ed.)).

The theory that otherwise valid marks become unprotectable because they are unregistrable also cannot be reconciled with Section 43(c) of Act, 15 U.S.C. § 1125(c) (2012), which protects the distinctiveness of famous marks against likely dilution. Under that statute, whether or not a mark is registered is merely one of four nonexclusive factors used to determine whether a mark is sufficiently famous to qualify for protection. *See* 15 U.S.C. § 1125(c)(2). The nonexistence of a registration therefore does not preclude actions brought under that statute. *See, e.g., New York City Triathlon, LLC v. NYC Triathlon Club, Inc.*, 704 F. Supp. 2d 305, 321-22 (S.D.N.Y. 2010) (finding unregistered marks famous and likely to be diluted in violation of Section 43(c)).

B. Federal and State Causes of Action are Available to Protect Unregistered, but Otherwise Valid, Marks

Although certain causes of action for the misappropriation of marks are reserved to federal registrants, others are available to protect unregistered, but otherwise valid, marks. This Court therefore

previously has recognized that Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), provides a remedy against the misappropriation of unregistered, but otherwise valid, marks. *See generally Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763 (1992); *Wal-Mart Stores, Inc. v. Samara Bros.*, 529 U.S. 205 (2000). It therefore is "wrong to conflate registrability under §2 with protectability under §43(a) [of the Lanham Act]." Jason Rantanen & Mark P. McKenna, *Guest Post by Prof. McKenna: The Implications of Blackhorse v. Pro-Football, Inc.*, Patentlyo, http://patentlyo.com/patent/2014/06/implications-blackhorse-football.html (June 19, 2014).

Moreover, common-law trademark rights can support infringement and unfair competition claims, as well as challenges to pending trademark applications before, and registrations with, the USPTO. Thus, for example, Section 2(d) of the Lanham Act recognizes a cause of action against a claim of rights in the USPTO to a mark "which so resembles a mark registered in the Patent and Trademark Office, *or* a mark or trade name previously used . . . by another and not abandoned, as to be likely, when used on or in connection with the goods of the applicant, to cause confusion, or to cause mistake, or to deceive." 15 U.S.C. § 1052(d) (emphasis added). In fact, as the USPTO has noted, there are some circumstances in which common-law rights in a mark may be deemed "stronger than those based on a [federal] registration." U.S. Patent and Trademark Office, *Protecting Your Trademark, Enhancing Your Rights Through Federal Registration*, https://www.uspto.gov/sites/default/files/BasicFacts.pdf (Jan. 2016).

There are other federal causes of action available to the owners of unregistered marks. On this issue, the court of appeals stated that "[w]ithout federal registration, a trademark user cannot stop importation of goods bearing the mark . . . ." 808 F.3d at 1343. In fact, however, and in addition to a Section 43(a) cause of action, the owner of an unregistered mark can file a complaint pursuant to Section 337 of the Tariff Act, 19 U.S.C. § 1337 (2012), before the International Trade Commission ("ITC") to stop the importation of goods bearing the mark that violates those common-law rights. *In re Certain Digital Multimeters, & Prods. With Multimeter Functionality*, Inv. No. 337-TA-588, USITC Pub. 4210, 2010 ITC LEXIS 2867 (Int'l Trade Comm'n Dec. 1, 2010) (issuing general exclusion order to protect unregistered trade dress). The ITC may issue an exclusion order enforcing trademark rights and requiring U.S. Customs and Border Protection to stop the importation of goods bearing infringements of the mark. *See Gamut Trading Co. v. U.S. Int'l Trade Comm'n*, 200 F.3d 775, 783 (Fed. Cir. 1999) ("An exclusion order is the Commission's statutory remedy for trademark infringement.").

Unregistered, but valid, marks may also be protected against cybersquatting under the Anti-Cybersquatting Consumer Protection Act, 15 U.S.C. § 1125(d): "[A] trademark need not be registered to be entitled to protection under the ACPA." *DaimlerChrysler v. Net Inc.*, 388 F.3d 201, 205 (6th Cir. 2004); *see also* 5 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 25A:49 (4th ed.) ("[T]here is no requirement that the pro-

tected 'mark' be registered: unregistered common law marks are protected by the Act.").

Finally, state law often offers causes of action to the owners of unregistered marks. These include likelihood-of-confusion-based causes of action for infringement, unfair competition, and deceptive trade practices. *See generally* INT'L TRADEMARK ASS'N, STATE TRADEMARK AND UNFAIR COMPETITION LAW, http://applications.inta.org/apps/states/full_report/ (2016) (follow login directions for members) (describing availability of causes of action on state-by-state basis). They also include statutory causes of action to protect the fame and distinctiveness of marks against likely or actual dilution, *see generally id.*, which are extant in more than half the states and most of which do not require federal or state registration as a prerequisite for relief. *See, e.g.*, 765 ILL. COMP. STAT. 1036/6 (no registration requirement for protection against likely dilution). The owners of unregistered but otherwise valid marks therefore have a variety of causes of action available to enforce the rights to their marks.

C. Under Certain Circumstances, Protection Against Unfair Competition is Available to the Owners of Claimed, but Invalid, Marks

If a claimed mark is unregistrable because it is invalid, that circumstance will not necessarily preclude the availability of protection against misleading uses of the claimed mark. This Court previously has recognized that "the common law of trademarks is but a part of the broader law of unfair competi-

tion." *Hanover Star Milling Co. v. Metcalf*, 240 U.S. 403, 413 (1916); *accord Moseley v. V Secret Catalogue, Inc.*, 537 U.S. 418, 428 (2003). It also has held that Section 43(a) of the Lanham Act in particular "goes beyond trademark protection." *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 29 (2003).

A claimant to even an invalid mark therefore can receive protection via Section 43(a) of the Lanham Act, state unfair competition law, or passing off claims against the bad-faith and confusing use of that claimed mark.[10] For example, this Court has required defendants to "use reasonable care to inform the public of the source of its product" so to avoid confusion arising from their use of a claimed mark that had been found generic. *See Kellogg Co. v. Nat'l Biscuit Co.*, 305 U.S. 111, 119 (1938); *accord Singer Mfg. Co. v. June Mfg. Co.*, 163 U.S. 169, 203-204

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[10] RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 15 (1995) ("Use of a generic term in a manner likely to deceive or mislead a significant number of prospective purchasers as to the source of the goods or services, however, may subject the user to liability under the general rule proscribing misrepresentations of source"); *id.* § 30 ("[U]se of an abandoned designation in a manner likely to deceive or mislead a significant number of prospective purchasers may subject the user to liability to the former owner under the general rule proscribing misrepresentations of source."); *see also Browning King Co. of N.Y. v. Browning King Co.*, 176 F.2d 105, 107 (3d Cir. 1949) (holding anyone is entitled to use an abandoned mark "subject to the highly important qualification that in such use there must not be any deception of the public as to the identity of the merchant with whom customers do business").

(1896).[11] The Court reached similar conclusions in *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225, 232 (1964), and *Compco Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234, 238 (1964), holding in both of which the right to copy a unpatented and functional product did not excuse the defendants from taking affirmative steps to reduce mistakes and confusion in the marketplace. Therefore, even unregistrability triggered by the invalidity of a claimed mark does not necessarily foreclose all protection under federal and state unfair competition law.

III. UNREGISTRABILITY ON THE PRINCIPAL REGISTER DEPRIVES A MARK OWNER OF VALUABLE PROCEDURAL AND SUBSTANTIVE ADVANTAGES

Echoing this Court's observation that "[t]he benefits of registration are substantial," *B & B Hard-*

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[11] *See also Murphy Door Bed Co. v. Interior Sleep Sys., Inc.*, 874 F.2d 95, 97 (2d Cir. 1989) ("We hold that 'Murphy bed' is a generic term, having been appropriated by the public to designate generally a type of bed . . . . [W]e agree with the district court that defendants engaged in unfair competition by passing off beds of their own manufacture as beds of the Murphy Co. Accordingly, we affirm the court's entry of a permanent injunction prohibiting defendants from use of the term Murphy bed."); *Blinded Veterans Ass'n v. Blinded Am. Veterans Found.*, 872 F.2d 1035, 1043 (D.C. Cir. 1989) ("[I]f an organization's own name is generic, a competitor's subsequent use of that name may give rise to an unfair competition claim if the competitor's failure adequately to identify itself as distinct from the first organization causes confusion or a likelihood of confusion."); *WWP, Inc. v. Wounded Warriors, Inc.*, 566 F. Supp. 2d 970, 977-78 (D. Neb. 2008) (granting preliminary injunction under the Nebraska Deceptive Trade Practices Act against bad-faith imitation of invalid mark).

ware, Inc. v. Hargis Indus., 135 S. Ct. 1293, 1309 (2015), the court of appeals correctly held that "federal trademark registration bestows *truly* significant and financially valuable benefits upon markholders." *Tam*, 808 F.3d at 1240. It may, however, have understated those benefits in the process.

A mark owner denied registration on the Principal Register can suffer significant disadvantages in litigation to protect its mark.[12] Some of those disadvantages are purely procedural in nature. For example, Sections 7(b) and 33(a) of the Lanham Act, 15 U.S.C. §§ 1057(b), 1115(a) (2012), provide that a certificate of registration on the Principal Register constitutes "prima facie" evidence of the validity of the registered mark; if such a registration becomes incontestable under Section 15 of the Act, *id.* § 1065, that evidence becomes "conclusive," subject to certain exceptions identified in Section 33(b) of the Act. *Id.* § 1115(b); *see generally Park 'N Fly*, 469 U.S. at 194-95. In contrast, "[u]nregistered marks have no presumption of validity . . . . Thus, a plaintiff must prove that an unregistered mark is valid and pro-

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[12] Although the court of appeals and the parties alike have focused on the advantages accruing to registrations on the Principal Register, a registration even on the Supplemental Register (which is unavailable to potentially disparaging marks under Section 2(a) of the Act) creates federal subject-matter jurisdiction over actions to protect the registered mark. *See* 15 U.S.C. § 1121. It also allows the registrant to use the ® symbol, which can be an effective deterrent against infringement. *Id.* § 1111. Finally, it can be the basis of the USPTO's rejection of an application to register another party's confusingly similar mark. *See, e.g., In re Clorox Co.*, 578 F.2d 305, 307 (C.C.P.A. 1978).

tectable." *MNI Mgmt., Inc. v. Wine King, LLC*, 542 F. Supp. 2d 389, 404 (D.N.J. 2008) (citation omitted).

Further advantages are more substantive in nature. The court of appeals recognized a number of these, including the availability of nationwide constructive priority of rights, 15 U.S.C. §§ 1057(c), 1072, "the assistance of U.S. Customs and Border Protection in restricting importation of infringing or counterfeit goods," *Tam*, 808 F.3d at 1329 (citing 15 U.S.C. § 1124; 19 U.S.C. § 1526), the simplified process for obtaining and maintaining registrations under the Madrid Protocol and the Paris Convention, 15 U.S.C. § 1141b, and the complete defense to claims of trademark dilution under state law. *Id.* § 1125(c)(6).

Other advantages accruing to federal registrations (but not identified by the court of appeals) include the availability of particular private causes of action only to registrants on the Principal Register. Thus, for example, nonregistrants are ineligible for the cause of action against counterfeiting[13] created by the intersection of Section 32 of the Lanham Act, 15 U.S.C. § 1114, which is available only to federal registrants,[14] with Section 34, 15 U.S.C. § 1116, and

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[13] A defendant's mark is "counterfeit" only if it is "identical [to], or substantially indistinguishable from, a *registered* mark." 15 U.S.C. § 1127 (emphasis added); *see also id.* § 1116(d)(1)(b) ("'[C]ounterfeit mark' means . . . a counterfeit of a mark that is *registered* . . . in the . . . Patent and Trademark Office for such goods or services sold, offered for sale, or distributed and that is in use . . . ." (emphasis added)).

[14] *See, e.g., Fin. Inv. Co. (Bermuda) Ltd. v. Geberit AG*, 165 F.3d 526, 531 (7th Cir. 1998) ("Authorities uniformly agree that only

Section 35, *id.* § 1117. Nonregistrants challenging counterfeit imitations of their marks can rely on the unfair competition cause of action under Section 43(a) of the Act, *id.* § 1125(a), but liability under that section does not trigger the heightened remedies set forth in Section 34(d), *id.* § 1116(d), or the availability of statutory damages under Section 35(c), *id.* § 1117(c). Nonregistrants are also ineligible for the private cause of action provided for Section 526(a) of the Tariff Act of 1930, 19 U.S.C. § 1526(a) (2012), which is similarly restricted to the owners of registered marks. Finally, the existence or nonexistence of a registration on the Principal Register is relevant to the inquiry into whether a mark is sufficiently famous to qualify for protection against likely dilution under federal law. 15 U.S.C. § 1125(c)(2). Despite the availability of some causes of action to protect unregistered marks, nonregistrants therefore are disadvantaged vis-à-vis their federal registrant counterparts.

CONCLUSION

The registration system is an integral part of federal trademark law, but a federal registration is not a prerequisite for the use of a mark in commerce. Moreover, the denial of a federal registration does not necessarily eliminate all federal or common-law rights to the underlying mark, and the Court should

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the trademark's registrant (or her assignee) may sue under § 32(1)."); *Gaia Techs., Inc. v. Reconversion Techs., Inc.*, 93 F.3d 774, 779-80 (Fed. Cir. 1996) (vacating finding of liability under Section 32 in light of plaintiff's failure to demonstrate ownership of registration).

reject any suggestion to the contrary. Nevertheless, the owner of a mark registered on the Principal Register enjoys certain substantive and procedural advantages in litigation to protect its mark that are *not* available to the owners of unregistered marks. Although the ABA does not take a position on the merits of the question presented, it urges the Court to answer that question in a manner not disturbing these basic propositions of United States trademark law.

Respectfully submitted,

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